

07 MAY 1996

BOEING COMPANY RESPONDS POSITIVELY TO MAS OFFSET PROGRAMME PROPOSAL

KUALA LUMPUR, May 7 (Bernama) -- Seattle-based aircraft manufacturer, Boeing Commercial Airplane Company (Boeing) has responded positively to Malaysia Airlines (mas) proposal for an offset programme.

MAS chairman Tan Sri Tajudin Ramli said Boeing personnel would visit the newly-launched MAS subsidiary, MAS Aerotechnologies Sdn Bhd, RM2-billion facility in June to evaluate its capabilities in terms of manpower and equipment.

"I do not know how much we can save through the offset programme. Boeing officials have to audit our facility first," he told reporters after Prime Minister Datuk Seri Dr Mahathir Mohamad launched MAS Aerotechnologies in Subang, near here.

Tajudin said MAS was keen to produce secondary and tertiary parts and aircraft components locally.

"We are optimistic that Boeing will respond positively to our request but to what extent we do not know," he added.

MAS has placed a firm order for 15 B777 and 10 B747-400 aircraft from Boeing at an estimated cost of RM10 billion.

The wholly-owned engineering subsidiary of MAS has an authorised capital of RM1 billion and paid-up capital of RM550 million.

Tajudin also said MAS was negotiating with other parts and component suppliers to manufacture some of the products at its facility.

"We have purchased sophisticated equipment and trained skilled manpower at this facility here. Now we want to get as much as possible through the sale of our services to foreign airlines too," he added.

Tajudin said a fourth hanger would be built at Subang before the arrival of the first of the new Boeing aircraft in May 1997. -- BERNAMA

JSM LDB